

**OPINION
57-184**

December 20, 1957 (OPINION)

STATE BOARD OF HIGHER EDUCATION

RE: Authority to Borrow Money

We have received your request for an opinion dated December 18, 1957.

The question involved concerns the authority of the Board of Higher Education under section 15-5502 of the 1953 Supplement as amended by Chapter 148, Laws of 1957, to borrow money to begin construction of dormitories at our institutions of higher learning. The reason why borrowing is necessary is that the Federal Home and Housing Authority has agreed to purchase the revenue bonds, but due to federal regulations cannot purchase the bonds until a certain percentage of the cost of erecting such building has actually been expended.

Section 15-5502 authorizes the Board of Higher Education to borrow money on the credit of the income and revenue to be derived from the operation of the building or buildings, and provides that the board may issue negotiable bonds in such amount as, in the opinion of said board, may be necessary for such purposes, all within the limits of the authority granted by the Legislature in each instance.

It is our opinion that the language of the above-quoted statute is sufficiently broad to authorize the board to borrow such sums as may be necessary before the sale of the bonds in order to meet the requirements of F.H.H.A. Repayment could of course only be made from revenues of the buildings and must in all respects be within the limitations and restrictions prescribed in Chapter 15-55 of the 1953 Supplement as amended.

LESLIE R. BURGUM

Attorney General